

"UNDER SEAL"

FILED  
CHARLOTTE, NC

MAR 16 2021

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NORTH CAROLINA  
CHARLOTTE DIVISION

US DISTRICT COURT  
WESTERN DISTRICT OF NC

UNITED STATES OF AMERICA )  
 )  
v. )  
 )  
JESSICA EARLENE TRUESDALE )  
 )  
 )  
 )  
\_\_\_\_\_ )

DOCKET NO. 3:21-cr-70

BILL OF INDICTMENT

Violations:  
26 U.S.C. § 7206(2)

**UNDER SEAL**

THE GRAND JURY CHARGES:

**INTRODUCTION**

At all times relevant to this Indictment:

1. Defendant JESSICA EARLENE TRUESDALE ("TRUESDALE") resided in and around Charlotte, North Carolina, within the Western District of North Carolina.

2. Beginning in at least 2006, TRUESDALE owned and operated a tax preparation business with three locations in Charlotte, North Carolina. Between 2015 and 2018, the business operated as Queen City Financial Company, LLC ("Queen City Financial"). Through Queen City Financial, TRUESDALE prepared U.S. Individual Income Tax Returns, Forms 1040 and 1040A, and related Internal Revenue Service ("IRS") Schedules and Forms, on behalf of client-taxpayers for submission to the IRS.

3. Through Queen City Financial, TRUESDALE prepared or caused to be prepared more than 1,900 tax returns for tax years 2014 through 2017. TRUESDALE earned at least \$1 million in return preparation fees from her clients, which were paid directly from her clients' refunds. In some cases, the clients were unaware of how much they were being charged, which was frequently between \$250 and \$500.

4. TRUESDALE frequently included false information on the tax returns she prepared for clients. She typically prepared and filed tax returns with the following fabricated and/or fraudulent items, among others: filing status and exemptions; Schedule A itemized deductions; American Opportunity Credits; education credits; Schedule C business income and losses; and earned income tax credits. The inclusion by TRUESDALE of the false and fraudulent items resulted in the fraudulent reduction of the clients' tax liabilities and the receipt of fraudulently inflated refunds by her clients.

5. TRUESDALE regularly failed to review the completed tax returns with her clients except to inform them of the amounts of their refunds. Some clients received

correspondence from the IRS or the State of North Carolina after their returns were filed questioning items on the tax returns. TRUESDALE refused to assist the clients with the questions from the IRS.

6. The IRS was an agency of the United States Department of the Treasury responsible for administering the tax laws of the United States and collecting taxes owed to the United States.

7. An Electronic Filing Identification Number (“EFIN”) was a unique, non-transferable identification number assigned by the IRS to a firm that had completed an IRS e-file application to become an authorized IRS e-file provider and had passed a suitability check, in order to provide electronic tax return filing services to client-taxpayers. The IRS retained the ability to suspend or revoke a previously-assigned EFIN. TRUESDALE used an EFIN ending 6464, which was issued by the IRS to Queen City Financial in or about May 2014.

8. A Preparer Tax Identification Number (“PTIN”) was an identification number that the IRS assigned to a tax return preparer who was compensated for preparing, or assisting in the preparation of, all or substantially all of any United States federal tax return, claim for refunds, or other tax form submitted to the IRS with limited exceptions. To obtain a PTIN, an individual was required to submit an application to the IRS. In or about October 2010, TRUESDALE applied for, and was assigned by the IRS, a PTIN ending 4204.

#### **COUNTS ONE THROUGH TWENTY-SIX**

#### **(Aiding and Assisting in the Preparation of False Tax Returns – 26 U.S.C. § 7206(2))**

9. The Grand Jury realleges and incorporates by reference herein all of the allegations contained in paragraphs one through eight of the Bill of Indictment, and further alleges that:

10. On or about the dates set forth below, within the Western District of North Carolina, and elsewhere, Defendant JESSICA EARLENE TRUESDALE did willfully aid and assist in, and procure, counsel, and advise the preparation and presentation to the IRS, of false U.S. Individual Income Tax Returns, Forms 1040 and 1040A, along with the accompanying schedules, for the taxpayers and calendar years listed below, which TRUESDALE did not believe to be true and correct as to every material matter, in that the tax returns contained the false items listed below, among others:

Count	Taxpayer	Year	Filing Date	False Item(s)	False Items as Reported
1	K.T.	2014	4/15/15	Education credits (Line 50)	\$1,500
				American opportunity credit (Line 68)	\$1,000
2	D.C	2015	4/15/16	American opportunity credit (Line 68)	\$1,000

Count	Taxpayer	Year	Filing Date	False Item(s)	False Items as Reported
3	L.H.	2015	4/15/16	Itemized deductions (from Schedule A) (Line 40)	\$15,983
				American opportunity credit (Line 68)	\$1,000
4	N.S.	2014	4/15/15	Itemized deductions (from Schedule A) (Line 40)	\$11,013
5	W.B.	2016	4/17/17	Wages (Line 7)	\$13,100
				American opportunity credit (Line 68)	\$2,000
6	M.G.	2016	4/17/17	Wages (Line 7)	\$29,368
				Business income or (loss) (Line 12)	(\$8,159)
				Itemized deductions (from Schedule A) (Line 40)	\$22,449
				American opportunity credit (Line 68)	\$1,000
7	D.H.	2016	4/17/17	Filing Status	Single
				Itemized deductions (from Schedule A) (Line 40)	\$11,469
				Education credits (Line 50)	\$438
				American opportunity credit (Line 68)	\$1,000
8	N.C.	2014	4/15/15	Business income or (loss) (Line 12)	\$7,920
				American opportunity credit (Line 68)	\$1,000
9	N.C.	2016	4/17/17	Wages (Line 7)	\$7,966
				American opportunity credit (Line 68)	\$1,000
10	M.S.	2015	4/15/16	American opportunity credit (Line 68)	\$1,000
11	M.S.	2016	4/15/17	American opportunity credit (Line 68)	\$1,000

Count	Taxpayer	Year	Filing Date	False Item(s)	False Items as Reported
12	D.F. and Z.K.	2014	4/15/15	Business income or (loss) (Line 12)	(\$4,500)
				Credit for child and dependent care expenses (Line 49)	\$400
				Education credits (Line 50)	\$1,500
				American opportunity credit (Line 68)	\$1,000
13	D.F. and Z.K.	2015	4/15/16	Business income or (loss) (Line 12)	(\$12,510)
				Itemized deductions (from Schedule A) (Line 40)	\$17,886
				Credit for child and dependent care expenses (Line 49)	\$200
				Education credits (Line 50)	\$1,500
				American opportunity credit (Line 68)	\$1,000
14	D.F. and Z.K.	2016	4/17/17	Itemized deductions (from Schedule A) (Line 40)	\$28,145
				Credit for child and dependent care expenses (Line 49)	\$1,200
				Education credits (Line 50)	\$1,500
				American opportunity credit (Line 68)	\$1,000
15	D.G.	2014	4/15/15	Itemized deductions (from Schedule A) (Line 40)	\$6,628
16	D.G.	2015	4/15/16	Itemized deductions (from Schedule A) (Line 40)	\$11,022
				Education credits (Line 50)	\$598
				American opportunity credit (Line 68)	\$850
17	D.G.	2016	4/17/17	Education credits (Line 50)	\$1,093
				American opportunity credit (Line 68)	\$1,000


Count	Taxpayer	Year	Filing Date	False Item(s)	False Items as Reported
18	M.H.	2014	4/15/15	Business income or (loss) (Line 12)	(\$5,950)
				Credit for child and dependent care expenses (Line 49)	\$600
19	M.H.	2015	4/15/16	Credit for child and dependent care expenses (Line 49)	\$840
20	M.H.	2016	4/17/17	Credit for child and dependent care expenses (Line 49)	\$720
				Education credits (Line 50)	\$1,200
				American opportunity credit (Line 68)	\$800
21	D.M	2014	4/15/15	Wages (Line 7)	\$13,014
				American opportunity credit (Line 68)	\$1,000
22	D.M	2015	4/15/16	Wages (Line 7)	\$10,837
				American opportunity credit (Line 68)	\$1,000
23	D.M.	2016	4/17/17	Credit for child and dependent care expenses (Line 49)	\$184
				American opportunity credit (Line 68)	\$1,000
24	L.N.	2014	4/15/15	American opportunity credit (Line 68)	\$1,000
25	L.N.	2015	4/15/16	Wages (Line 7)	\$10,589
				American opportunity credit (Line 68)	\$1,000
26	L.N.	2016	4/17/17	Wages (Line 7)	\$11,525
				American opportunity credit (Line 68)	\$1,000

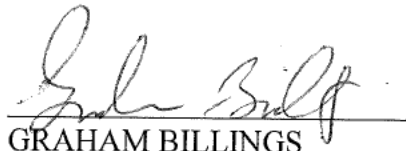
All in violation of Title 26, United States Code, § 7206(2).

A TRUE BILL:

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FOREPERSON

WILLIAM T. STETZER  
ACTING UNITED STATES ATTORNEY

  
CARYN FINLEY  
ASSISTANT UNITED STATES ATTORNEY

  
GRAHAM BILLINGS  
ASSISTANT UNITED STATES ATTORNEY